filing, GTE has developed internal procedures which will ensure immediate access when necessary, such as emergency conditions¹¹. It is anticipated that in many situations, the interconnector will ask that a GTE technician be present in order to test the equipment and isolate trouble.

GTE's tariffs Section 17.7.5(F) provide that the interconnector be charged only when the escorted access is required outside regular business hours. The charge for Additional Labor Sections 6.2.(G) (GTOC) and 8.2.6 (GSTC) applies to similarly situated access customers and it reasonably applied here¹².

(i) Virtual EIS

This issue does not address GTE.

Issue B. <u>Are the rate structures established in the LECs' EIS tariffs</u> reasonable?

(a) LECs are to address whether the rate structure established in the EIS tariffs contain excessive bundling of rate elements.

In the Expanded Interconnection Order¹³, the Commission states:

See, Reply of GTE, Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, filed April 5, 1993 at 21-22.

GTE is considering tariff modifications which will charge for escort arrangements regardless of the time of day or day of the week. Whenever security escort is required GTE's resources are utilized and costs for those resources should be recovered accordingly.

Expanded Interconnection with Local Telephone Company Facilities, 7 FCC Rcd 7369 (1992) ("Expanded Interconnection Order"), recon., 8 FCC Rcd 127 (1992), pets. for recon. pending, appeal pending sub nom. Bell Atlantic Corp. v. FCC, No, 92-1619 (D.C. Cir., filed Nov. 25, 1992).

We conclude that, at least initially, we should not impose a detailed rate structure on the LECs. Rather, we will allow the LECs to establish reasonable disaggregated subelements for the connection charges, except that we will require the LECs to establish a cross-connect element that applies uniformly to both physical and virtual collocations. This flexibility will enable them to tailor their connection charge rate structures to reflect their physical collocation offering, or any virtual collocation arrangements they negotiate with interconnectors. . . . At least during the initial implementation period, we believe that the benefits of this flexibility outweighs the drawbacks of a non-uniform connections charge rate structure.

GTE believes that its rate structure complies with both the spirit and the letter of the Order. The rate structure neither excessively bundles nor unbundles work functions involved with the provision of EIS. The rate structure associates rate elements with unique and independent functions necessary for the installation of an EIS. This structure is composed of interdependent work functions and further disaggregation would serve only to create more rate elements solely for the purpose of creating more rate elements. This would only serve to confuse the customer and complicate billing.

NONRECURRING CHARGES (NRCs)

GTE's tariffs propose four NRCs for EIS. These charges recover one-time costs for work activities required to establish an interconnector's service in the central office. The NRCs and the work functions which they recover are:

Engineering Fee recovers the cost of:

1) Identifying and documenting future GTE needs for switching, transmission, monitoring and other new equipment.

- 2) Designing cage areas to maximize the amount of available space, yet provide sufficient access to equipment staging areas, aisleways, and emergency exits.
- 3) Identifying the availability of commercial power and central office battery or emergency power and determining the work functions to extend these amenities to the available floor space.
- 4) Identifying the additional heat load on the building cooling system and determining what additions or modifications are necessary.
- 5) Identifying the additional requirements on fire protection systems and what modifications are necessary.
- 6) Establish methods for building access by the customer. These activities are performed upon each EIS request.

Building Modification recovers the GTE's material and labor costs to provide physical separation within the central office so that the interconnector's space is separated from GTE's network. Costs may include card access systems, partitions or chain link walls, basic heating, ventilation, air conditioning (HVAC) modifications, installation of vestibule(s), and exterior and/or interior doors, door hardware, and elevator access modifications. This rate is charged in full to the first interconnector, however, the interconnector is credited one-third of this amount when the second and third customer interconnects within the central office providing this activity takes place within one year of the initial interconnector.

Office Arrangement recovers GTE's costs, primarily contractor costs, required to construct the cage, provide an AC power outlet, and provision DC power to the interconnector's cage. This activity is performed for each EIS installation.

Cable Pull recovers GTE's costs of pulling the interconnector's fiber optic cable from GTE's manhole to the interconnector's cage. A splice is also performed within the cable vault. This activity is performed for each Cable Pull required.

MONTHLY RECURRING CHARGES (MRCs)

GTE's tariffs propose four monthly recurring charges. These charges recover ongoing costs of providing EIS. The charges and the work functions they recover are:

<u>Partition Space</u> recovers the cost of environmentally conditioned floor space within the central office on a per square foot basis.

<u>DC Power</u> recovers the material costs associated with the labor charges contained in the Office Arrangement charge. These costs consist of the cage material, AC wiring, DC power plant material, and DC power cabling. Also included in this element is the utility expense for power generation on a per square foot basis.

<u>Cable Space</u> recovers the cost of the space that the cable occupies within the manhole, vault, riser, and racks.

<u>DS1 and DS3 Cross Connect</u> recovers the cost for either the DSX-1 or DSX-3 cross connect panel. Costs were developed by taking GTE's material costs for

a fully equipped DSX-1 or DSX-3 bays and dividing by the bay's DS1 or DS3 capacity.

GTE has established a rate element structure that identifies unique and independent functions for the implementation of EIS. GTE's rate elements recover space preparation in the Building Modification Charge; and cage construction in the Office Arrangement charge. The Office Arrangement element contains contract labor cost to construct the cage and GTE's labor costs to provide DC power. Separating this into two rate elements does not serve a useful purpose since both activities are required in full for each interconnector's application. Separate rate elements simply means that two rates apply for office arrangement as opposed to one.

Costs for racks are included in the cross connect (patch panel) and cable space (space occupied on the rack) charges; there are no charges included in the rates for cable (customer provided) or frames (not applicable).

- (b) LECs should justify the rate structures to recover central office construction charges.
- (1) LECs assessing NRCs to recover interconnector-specific construction costs should explain how such a rate structure will avoid double recovery of the costs, particularly where another interconnector pays for and uses the same construction after it has been vacated by the original interconnector

GTE's Office Arrangement rate element reflects the labor required to construct a cage and provision power. These costs are interconnector-specific. If a central office has a vacated cage when a EIS request is received, GTE will not charge the office arrangement charge if the cage size meets the requirement of the new interconnector. If the interconnector requires additional cage construction or modifications, this cost

will be charged on an individual case basis (ICB). GTE's tariff does not presently address this issue. However, GTE will add additional tariff language so that the potential of double recovery of interconnector-specific construction costs is avoided.

2) LECs should describe and justify the method by which they are recovering common construction costs. LECs should explain and document their demand estimates. LECs should justify the time period chosen to make a pro rata refund of common construction costs.

applies in full to the first interconnector in each central office. This application was developed due to the lack of known demand for the service in any GTE office. The initial list of central offices was developed in response to the Expanded Interconnection Order, which required LECs to tariff physical EIS for every central office in their territories. In order to reduce this to a manageable task, GTE identified all central offices in excess of 10,000 lines and proposed this as the initial EIS offering. This list was then expanded to include a few additional offices where customers actually indicated an interest. However, "interest" is not a valid basis for the development of a forecast of demand for a service. Therefore, in developing the instant rates, GTE used a forecast of one (1) for each tariffed central office. Although GTE did receive some preliminary inquires about the service before the tariffs became effective, GTE has not yet received a bona fide order for EIS.

With an unknown demand for the service, provisions for a *pro rata* refund of the Building Modification charge were included in the tariff, in case more than one customer did obtain EIS in the same office. These provisions provide that if a second

or third interconnector orders service in the same central office within the first 12 months of the first interconnector, the new interconnector(s) will be charged one-third of the building modification charge, which is refunded to the first interconnector. If all three interconnectors locate in one office within 12 months of the first interconnector, the *pro rata* refunds will result in each having paid an equal portion of the total common construction costs.

Should any additional interconnectors order service in that same central office, each new interconnector would be assessed charges based upon the labor activity required and rated out of Section 6.2 (GTOC) or 8.2 (GSTC). Similarly, if the second customer interconnects after the end of the first year, it would be assessed a charge based on the labor activity with no credit applied to the initial interconnector.

GTE believes one year is an adequate time limit to allow for crediting the interconnector because of the competitive nature of access services. Extending the one year interval would increase the administrative requirements needed to accurately apply the credit. Furthermore, GTE believes this does not cause an economic disadvantage to the first interconnector if a second interconnector gets a "free" building modification when colocating 15 months later, since the first interconnector has had 15 months as the only interconnector within the central office.

(c) LECs that charge an NRC for equipment instead of recovering the cost of such equipment through recurring charges should explain why they believe this is reasonable. Such LECs should explain whether the equipment is dedicated for its full life to the interconnector that pays the NRC.

The only equipment costs that GTE recovers in an NRC is equipment associated with providing the physical separation within the central office. The Building Modification element recovers the costs for security card readers, chain link walls, exterior door, etc. Since this cost is dedicated for interconnection and the work performed as a result of the first interconnector's order, GTE believes it should be charged in full to the interconnector. The fact that GTE will refund a portion of the charge as describe above avoids double recovery.

If the costs of this equipment was recovered in a monthly recurring charge the following problems occur:

GTE would be required to develop a demand forecast of EIS customers, as well as project the time for which an interconnector would retain the service. As discussed above, GTE believes an attempt to forecast the number of EIS would be extremely speculative as there is no valid market indication or experience upon which base estimates and all forecasts must be central office-specific. To date, GTE has not received any orders from customers for EIS, and has had only 2 inquires from potential customers. Based upon this experience, GTE does not have sufficient data to support any type of reasonable forecast of demand. If forecasts are inaccurately overstated, the cost for interconnection must be subsidized by the general body of rate payers. On the other hand, if the forecasts are understated, GTE would be overcompensated for the equipment in place.

The imposition of the NRCs - instead of monthly recurring charges for Building Modification and Office Arrangement - are necessary and appropriate to insure that

GTE, and its rate payers, don't get "stuck" should an interconnector either (i) cancel the order before completion of the installation, or (ii) fail to retain service for a sufficient period of time to recover the costs. In either case, GTE could not recover these costs unless and until another interconnector obtains service. At this point, with no experience on which to base assumptions of demand, GTE cannot develop a forecast with any accuracy. Therefore, GTE believes its current structure is fair to all parties and allows the cost of service to be recovered from the cost-causer.

(d) LECs that require interconnectors to pay some or all construction or other NRCs prior to commencement of the work should explain why they believe such a requirement is reasonable.

Requiring payment of 50% of the Building Modification and Office Arrangement charges prior to the work being performed is not only customary and reasonable, but wholly appropriate¹⁴. Upon receipt of payment, GTE will begin preparation and modification of the central office. Upon completion of the work GTE will schedule a walk-through to ensure that the interconnector's specifications have been met. Upon acceptance of the completed modification, the remaining 50% of the charges are due.

This procedure is reasonable and fair to all parties. From GTE's perspective the payment represents a commitment by the customer. Under a non-contractual

State regulatory commissions, such as Texas, Hawaii and Oregon, have allowed LECs to collect installation charges prior to the scheduling of the order, in effect, an advance payment for work to be done. In other industries, such construction of a house or pool where substantial costs are incurred in materials and labor, payment of equal portions of the total over the construction period is required by contract, with final payment made upon completion and customer acceptance.

arrangement, there is no commitment on the part of the customer and GTE has limited effective recourse should the customer refuse to pay for the work after the work has been completed. GTE would, however, have expended resources to modify a central office and have no guarantee of being able to lease to a successive customer. Additionally, in the context of concerns of double recovery, if GTE were to make language changes whereby the subsequent customer would not have to pay these charges when taking over a preexisting space, GTE would never recoup the costs of the initial construction. If GTE were not able to lease the space to another EIS customer, GTE would be "stuck" with central office modifications which have no value or use in GTE's day-to-day provision of telecommunication services. GTE would be in the difficult position of deciding whether to leave the modifications as is, assuming another customer will request the service, or expend additional resources to remove it. Either way GTE and the rate payers lose.

GTE's requirement of payment ensures the commitment of the customer and minimizes the likelihood of frivolous requests. The method proposed by GTE allows the construction to be financed equally by both parties. If this requirement is removed from the tariff, there is a possibility that GTE many incur uncompensated costs that would eventually be borne by the general rate payer. Such a situation would be antithetical to the Commission's goal of lowering consumer's costs.

Even in Special Construction situations, services are generally accompanied by a termination liability which provides protection for the LEC if the customer discontinues the service prior to the specified time. But EIS is not a special

construction in its tariffed form and has no termination liabilities¹⁵, nor is it appropriate that it should be handled as special construction.

While it may not have been standard practice in the telecommunications industry to request payment of charges over the construction period, it is common practice in businesses requiring specialized construction for a customer to make a down payment and/or payments for work performed, prior to completion. GTE believes that this practice is also appropriate for EIS installations.

(e) LECs that provide electric power in increments and not on an actual usage basis should explain why they chose the increment level, why they cannot or will not supply power in smaller increments, why they cannot or will not supply power on an actual usage basis, and why the choice they made is reasonable.

GTE's power requirements are dependant upon the size of the interconnector's partitioned space. A customer ordering 200 square feet is naturally deploying more equipment and will require more power than a customer in a 100 square foot cage.

GTE estimated that a customer within a 100 square foot cage could easily require 100 amps for equipment with the deployment of fiber optic terminals and DCS equipment.

Therefore, GTE divided it's power cost requirement estimate by 100 given that power usage will effectively grow with the size of the cage ordered.

Where it might be acceptable to look at the Office Arrangement charge as "interconnector-specific" and thereby Special Construction, the Building Modification work would benefit all other interconnectors in that office, truly at the expense of the initial customer, with no possible pro rata refund by the other interconnectors. Special construction does not anticipate reuse by a subsequent customer.

GTE's structure also deters customers from warehousing space within a central office in order to exclude potential competitors. Since GTE does not have a maximum square footage requirement, charging power per square foot is a fair incentive for customers to avoid warehousing. This structure was also chosen for the sake of simplicity of operation with the Carrier Access Billing System (CABS) billing process. Measuring units for power and floor space by the same procedures provides a uniform method for the customer and the LEC when ordering and growing space or power requirements.

Because of this, GTE is opposed to offering power on a unit of power measurement. If power is ordered under its own measurement, it is much more reasonable to provide power in increments versus actual usage, since power is provisioned by increments. Offering power based on actual usage would require the LEC to provision power via a stand-alone power supply as well as installing recording (measuring) equipment. This arrangement would result in increased costs, would reduce available floor space, and would cause inefficiencies in the provisioning of power.

- (f) Does not address GTE.
- (g) LECs whose tariffs contain provisions allowing the LEC to charge for additional, extraordinary, or individually determined costs (i.e., costs that are not specifically and individually listed in their tariffs) should explain why inclusion of such provisions is reasonable. LECs should also define the term they use to permit recovery of such costs (e.g., additional, extraordinary).

GTE's tariffs Section 17.3.1(B) contain provisions which allow charging the interconnector "for any additional costs incurred by the Telephone Company for installation or maintenance of customer designated transmission equipment".

The term "additional" refers only to functions - beyond initial modifications associated with functions performed in the Building Modification - required solely to accommodate the customer's equipment. Major heating, ventilation, and air-conditioning (HVAC) modifications are also not included in the Building Modification charges because of GTE's policy of locating interconnectors in only environmentally conditioned switch space. Should the central office be occupied by multiple interconnectors and the heat load of additional interconnector's equipment exceed the HVAC system's ability to properly cool the office, an addition to the system will be required to maintain the integrity of the service level of the office.

GTE's ability to recover these additional costs will minimize GTE's and its rate payer's exposure to valid expenditures not covered in the tariff.

Issue C. <u>Are the LECs' provisions regarding interconnection space, size, expansion, and location reasonable?</u>

(a) LECs should specify whether they established minimum and/or maximum space requirements for the initial interconnector and/or any subsequent expansion of an interconnector's partitioned space. LECs that require a minimum square footage for an initial and/or expansion of a partitioned space should explain why the minimum space requirement was chosen, why they believe it is reasonable, and why a smaller space requirement or negotiated space size are not reasonable alternative. LECs that explain why this limit was chosen, why they believe it is reasonable, and why having no space limitation is an unreasonable alternative.

GTE's tariffs established the provisioning of floor space at 100 square foot increments. GTE believes provisioning the service in uniform increments allows the available floor space to be utilized in a more efficient manner. This permits standardization of cage sizes, minimizes construction costs, and simplifies floor space allocation and planning. Negotiation of cage size violates each of these principles.

GTE chose 100 square feet as the minimum because this size allows the customer to effectively utilize their space to install and turn up both fiber optic terminals and DCS equipment. This equipment along with storage of any spares and/or test equipment would be unlikely to occupy less than 100 square feet if proper aisle-spacing is followed. While, it is possible for an interconnector to fit equipment into a partitioned space smaller than 100 square feet, allowing smaller partitioned space will restrict the customer from pursuing growth capabilities within their space. Growth will require additional cage construction (possibly non-contiguous) and will bring added expense to the interconnector.

Moreover, GTE also held discussions with potential interconnectors to determine how much floor space would be required. Based on their input and the facts listed above, GTE believes increments of 100 square feet provide distinct advantages for both parties.

- (b) This question does not address GTE.
- (c) LECs should describe how they will treat orders for additional space. LECs that treat such orders as new orders requiring repetition of the entire ordering process should explain why such orders cannot be processed as an addendum to the original agreement with a simplified procedure and correspondingly lower NRC.

GTE's tariff Sections 17.6.3 states that customer requests for expansion of existing space within a specific central office will be treated as a new service. This requires the customer to place an application and the appropriate Engineering Fee before a determination can be made as to whether there is sufficient existing suitable space to be used for expansion.

GTE's billing and ordering process cannot put an "addendum" to the original agreement because we are providing service entirely under tariff without an agreement. The Access Service Request (ASR) is a vehicle to initiate work and billing, and once the original order for service has been completed, signed off and processed for billing, it cannot be used to modify the service. In other words, in order to initiate additional physical activity on the service, a separate new order must be placed. GTE does not believe that a reduced NRC is appropriate for orders for expansion based upon the work that is performed. In order to properly determine the application of charges for expansion, one must review the work involved and identify any differences that might reasonably necessitate modifications of the ordering process and/or application of charges.

Processing orders for either a new EIS service or an expansion will be handled in the same way. GTE must perform the same work functions recovered by the Engineering Fee: examine floor space availability, engineer and design the cage layout (irrespective of contiguous or non-contiguous space). GTE would also provide all the Office Arrangement activities of power provisioning, and cage construction, and will implement the requirement in the same manner as an original request. GTE

anticipates that, where the expansion is into contiguous space, the cage would be modified to meet the new specifications. However, where the space is non-contiguous, a new cage would have to be constructed. It should be noted that the level of the Office Arrangement charge is not dependant upon the size or shape of the cage. The size of the cage affects only the monthly Partitioned Space and DC Power charges. Adjustment or reduction of the Office Arrangement Fee is not appropriate.

The Building Modification charge, however, should not apply to the growth customer expanding its central office space requirements. GTE will agree to adding language to this provision to clarify the application of this charge in this situation.

(d) LEC should specify their policies regarding provision of contiguous space for expansion and direct cabling between noncontiguous spaces and state why these policies are reasonable. In addition, LECs whose tariff language seems to prohibit augmentation of the existing enclosure where contiguous additional space is provided, and instead requires the existing enclosure to be removed and a new one constructed, should explain why such a policy is reasonable.

GTE will provide contiguous space for expansion to a customer if available. GTE will allow direct cabling between equipment if the customer occupies non-contiguous space¹⁶. In certain situations, where cabling must be routed over or around another interconnector. GTE will tariff rates on an Individual Case Basis.

Issue D: Are LECs tariff prohibitions against EIS with dark fiber service consistent with the Special Access Order?

GTE's tariffs do not offer dark fiber service.

¹⁶ GTE's tariffs only prohibit connections between the partitioned space of different customers. See, Section 17.3.3

Issue E: Do the LECs' tariffs prevent interconnector control over channel assignment on the interconnector's networks and if so, is such an arrangement reasonable?

- (a) to be covered in (b)
- (b) Ameritech, NYNEX, GTE and any other LEC that appears to maintain control of channel assignment to the point of termination should identify specifically where the point of termination is (e.g., POT bay, LEC MDF) and whether this deprives interconnectors of control over channel assignment

In the GTE tariffs, the cross connect rate element is defined as the path between Telephone Company provided DS1 or DS3 service and the EIS service. Although not specifically delineated, the EIS customer would have channel assignment control on the cross connect and up to the point of termination on the DSX panel of the cross connect. The remainder of the special access service going beyond the cross connect toward the termination of Telephone Company service at a customer's premise is subject to the standard provisions of special access. In many instances ordering customers may be able to specify channel assignment (e.g., on multiplexers) on the regular ASR. The most reasonable choice is to allow the current provisions of special access to continue to apply to non-EIS network components only coincidentally used with EIS.

Teleport is correct in saying that GTE's Reply Comments stated that GTE would remove the provision, 17.2.3(C) which restricts channel assignment control to GTE,

but that the change has not been filed. GTE inadvertently failed to make this correction in a previous filing, however, will include the change in a future filing.

Issue F: Are the LECs' provisions regarding warehousing or efficient use of space reasonable?

(a) LECs that regulate the amount of floor space items such as ancillary equipment or file cabinets may occupy in an interconnector's cage should explain why they believe such regulation is reasonable and under what circumstances violation of such a limit should trigger eviction. LECs should address whether an interconnector should be evicted for violating such a provision if: (1) it is operational and space for additional interconnectors is available; (2) it is operational and space for additional interconnectors is not available; (3) it is not operational and space for additional interconnectors is available; (4) it is not operational and space for additional interconnectors is not available.

GTE's tariffs contain no provisions which regulate the amount of floor space items such as ancillary equipment or file cabinets may occupy. GTE's tariffs, Section 17.7.4, cites limitations which restrict equipment to that which complies with GTE's list of approved products and/or equipment. Sections 17.7.2(F) states that the partitioned space will be used solely for purposes of installing, maintaining and operating the customer's equipment to interconnect with GTE's facilities. So long as the ancillary equipment a customer places in the cage is reasonable for the performance of the business, GTE has no concerns. However, non-business items, such as beds, hot plates, coffee pots, are not reasonable and would result in corrective action. GTE would attempt to eliminate the problem through personal contact with the customer, and would take further action to "evict" the customer only if it us then unresolved, . This would apply whether or not the service was operational or whether or not additional space is available.

(b) LECs that set a time limit within which an interconnector must become operational should explain why such regulation is reasonable, the minimum time period within which it is reasonable to direct an interconnector to become operational, and under what circumstances should violation of such regulation trigger eviction.

GTE's tariff Sections 17.6.1(F) require only that an interconnector have the capability of terminating its equipment in the central office within 6 months of initiating the request for EIS. This can be demonstrated by work orders, or similar documentation indicating that work is in progress and completion is anticipated within that time frame. GTE has no provisions which require actually completing the interconnection within a time frame. If a customer is making a good faith effort to interconnect and is willing to pay all charges associated with preparation of the central office, indicating a true commitment to order service, GTE does not believe any additional restrictions are necessary.

(c) LECs that refuse to rent additional space to an existing interconnector on the grounds that the interconnector has not efficiently used its initial space should explain on what basis they will make this determination and whether such provision is reasonable, particularly where there is still space for additional interconnectors.

GTE tariffs contain no such provisions.

Issue G: Are the LECs' provisions regarding notice to or from interconnectors in the event of service termination reasonable?

(a) LECs should specify the notice period in their tariffs provide for notifying interconnectors of the LEC's intention to terminate the interconnector's arrangement. LECs should explain why they consider this to be a reasonable notice period.

As subscribers of access services, interconnectors are subject to the same regulations contained in Section 2 of the tariff as all other access customers.

Temporary disconnection or termination of service may occur for illegal use, network damage or outage caused by the customer's equipment or non-payment. These provisions apply to all access customers and GTE sees no reason why an interconnector should be treated any differently. In addition, GTE's section on EIS cites the following circumstances:

Section 17.3.1 refers to provisions in Section 2 which address situations where the service could be terminated for non-payment.

Section 17.3.4, Mechanics or Materialman's Lien, provides for possible termination of service should the customer's actions result in the placement of a lien for work performed at the central office. The tariff provides that failure to submit payment within 10 days following written notification to the customer from GTE, entitles GTE to, at its option, pay the lien and submit an invoice to the customer for payment. If payment of the invoice is not received in 10 days, GTE may disconnect the service, following procedures set forth in Section 2 for non-payment. This situation is unique to EIS customers, however, GTE believes the provision is reasonable and the customer will be provided ample notification opportunity to resolve the issue before termination.

Section 17.4.1 provides for possible termination of service for failure to comply with GTE's standards and requirements and/or in the event the customer imposes continued disruption and threat of harm to GTE's employees and/or network or GTE's ability to provide service to other customers. This provision is also reasonable as GTE's first obligation is protection of the network. Although no specific notice periods

are cited in the tariff, Section 17.3.6 requires customers to provide a contact number that is readily accessible 24 hours a day, 7 days a week so that GTE may contact the customer immediately should such a situation arise. Unless immediate disconnection of the service is required in order to protect the network from immediate harm or outage, GTE will contact the customer to make it aware of the problem and of the opportunity to remedy before disconnection would occur. GTE believes this balances the needs of the customer with GTE's requirements and obligation to provide service.

Section 17.7.6(D) provides for disconnection of service under the rules for non-payment in situations where (i) the customer fails to maintain required levels of insurance and (ii) GTE obtains insurance on the customer's behalf and (iii) the interconnector fails to reimburse GTE.

(b) LECs should specify the notice period contained in their tariffs within which an interconnector must notify the LEC of the interconnector's intent to terminate the interconnection arrangement. LECs should explain why they consider this to be a reasonable notice period.

GTE tariff Sections 17.4.1(A) state that the interconnector will provide GTE with 60 day's advance written notice of intent to discontinue service. GTE believes this is reasonable. It is difficult to foresee any situation where a customer would decide to terminate its service and be able to notify its subscribers in less than this period. This time will also allow GTE time to notify any waiting customer that the space will be coming available for reuse. Although GTE's tariff specifies 60 days, it does not contain any penalty for failure to provide notice.

(c) LECs should justify any differences in length between the notice periods they specified in (a) and (b) above.

In most situations cited above, the notification period for GTE would be at least 60 days, if not more. The primary difference is where the customer's equipment causes harm or damage to the network, where quick action is required.

Issue H: <u>Are the LECs' provisions permitting them to terminate a</u> interconnection arrangement reasonable?

(a) LECs whose tariffs permit them to discontinue service for any violation of the tariff should explain why they believe such provisions are reasonable, and why they should not be limited to discontinuing an interconnector's service only for violations of material tariff terms. LECs should define what they consider to be material tariff terms.

As stated above, GTE's tariff provisions apply equally to interconnectors as to subscribers for other access services. GTE fails to see any reason it should discriminate in favor of the interconnector at the expense of other subscribers.

GTE considers the following to be material tariff terms¹⁷:

- 2.1.6 Maintenance of FIA
- 2.1.8 Discontinuance and Refusal of FIA
- 2.2.2 Interference or Impairment
- 2.2.3 Unlawful Use of FIA
- 2.3.1 Damages
- 2.4.1 Payment of Charges and Deposits
- 2.5 Connections

¹⁷ The titles of the sections may vary slightly between the GTOC and GSTC tariffs, however, the subject matter is the same.

- (b) (c) and (d) Are directed at interested parties.
- (e) LECs whose tariffs permit them to place liens on the equipment of interconnectors should justify why they believe such provisions are reasonable.

GTE's tariffs have no such provisions.

Issue I: Are the LECs provisions regarding termination of interconnection arrangements in the event of a catastrophic loss reasonable?

(a) LECs should justify the time period in their tariffs within which they will inform interconnectors of their plans to rebuild or relocate in the event of catastrophic loss.

GTE's tariffs do not address this situation for other access customers or specifically for interconnectors. Section 2.3.13 provides the customer the ability to work with GTE in planning the actions to be taken to maintain maximum network capability in the event of a man-made or natural disasters. Section 6.4 provides Telecommunications Service Priority (TSP) which is available to EIS customers.

In the event of any catastrophic loss, GTE has contingency plans in each Area which would be implemented to restore service as quickly as possible, or to provide temporary service until such time as normal service can be restored. However, GTE believes that citing a specific time frame would be arbitrary and irresponsible. In the event of catastrophic damage to a central office, GTE's immediate obligation is to restore communications to all customers, in accordance with Part 64, Subpart D, Paragraph 64.401 of the FCC's rules and TSP, which establishes a priority based upon the use of the service, *i.e.*, government, emergency services, hospitals, *etc.*, have higher priority than other subscribers. Once that is accomplished, GTE would require

time to assess the damage and make a determination of whether to rebuild or relocate the facilities.

GTE cannot guarantee to have made such a determination within 30 or even 45 days. How much time would be required depends in great part on the amount of damage, the cause of the damage, and costs associated with possible alternatives. The repair or replacement of an office could be affected by many different factors; a hurricane or flood situation would be completely different than damage by fire; damage to a portion of the central office would be different than total destruction of the building.

While GTE understands and appreciates the interconnector's need to plan their own network, their needs are no greater than that of an interexchange carrier or other access customer who also serves end users at the central office. Attempting to force companies into decisions within some arbitrary time frame serve no constructive purpose.

Issue J: Are the LECs relocation provisions reasonable?

(a) LECs should describe their policy regarding providing advance notice to the interconnector that the LEC intends to relocate the interconnector's space or equipment. LECs whose tariffs do not contain notice provisions for this occurrence should justify why the absence of those provisions is reasonable.

Section 17.2.3(H) of GTE's tariffs states that GTE will provide the customer with 6 months notice to reclaim any partitioned space, cable space, or conduit space in

order to fulfill its obligation under Public Service Law, and its tariffs to provide telecommunications service to its end user customers.

Section 17.2.2(C) states that in the event GTE determines it is necessary for the interconnector to move its partitioned space, either within the same central office, or to a different central office, the customer would be required to do so. This provision does not include a notice period, however, GTE would be agreeable to add language to require 6 months notice when feasible.

(b) LECs should describe the conditions under which they will require that an interconnector's space or equipment be moved, either within a central office or to another central office. LECs using blanket provisions in their tariffs, rather than listing specific conditions, should justify why such provision is reasonable.

Except for the conditions listed in 17.2.3(H) described above, GTE's tariffs do not detail situations where a customer might be required to relocate. This is intentionally broad. GTE does not believe that this situation will arise with any frequency, but it is impossible to foresee what requirements might arise in the future from developments in technology or regulatory mandates. Allowing interconnectors to occupy vacant space today based upon the projections for only 5 years in the future may place an interconnector in space required for GTE growth at some future date. Similarly, while the likelihood of GTE's abandoning a central office would appear small at this time, it could occur at some point in the future if, for example, GTE determined that construction of a new building would be more cost effective than expanding the old one, or land building restrictions prohibiting expansion. The central office could